Agri-business Community Work Group 2014 Meeting Notes October 12, 2015

Location: 300 Monroe Avenue NW

Members Present: Commissioners James Saalfeld (Chair), Diane Jones, and Stan Ponstein; Rick Baker, Patty Birkholz, Rick Chapla, Steve Grimm, Dr. Paul Isely, Bryan Posthumus, Ed Robinette

Members Absent: Bert Bleke, Mimi Fritz, Bryan Harrison, Steve Wilson

Others Present: Assistant County Administrator Mary Swanson; Management Analyst Nathan Kark; Senior Admin. Specialist Melanie Grooters; Ramiro Galvan; Matt Kuczynsky; Gerald Miller; Russ Slater

News Media: None

I. Chair Saalfeld called the meeting to order at 4:33 pm, welcomed everyone back after the summer, and recognized a number of people who have been working since the last meeting in May and who have contributed information to the draft report, including County staff Mary Swanson and Nathan Kark, as well as John Weiss, Wendy Ogilvie, Rick Chapla, Betty Blase, Stacy Byers, and Mary Judnich from Stabenow's Office.

II. Approval of the May 11, 2015 Meeting Notes.

The Work Group unanimously approved the May 11, 2015 meeting notes.

III. Review of Report of the Agribusiness Community Work Group

Assistant County Administrator Mary Swanson provided an overview of the Report and explained the process by which the report evolved. She noted that a total of 16 subject matter experts were invited to the various 11 meetings to share their expertise and insight, and additional experts and stakeholders were brought back for further input and to assess if the recommendations made sense and were headed in the right direction.

The **At a Glance** section provides additional detail from the subject matter experts, as well as research that further supports the findings and provides an overview of the breadth of agribusiness in the County and everything that is already being done.

Under *Production and Processing* – the Report underscores what is being done and the economic impact that agribusiness has in Michigan and the nation.

Land – research found that the number of farms and size have decreased; smaller farms are on the rise; despite shrinking farmland, more product is being produced and it has more value; market value of agricultural land has held its own and has increased in some areas; there was a lot of discussion in the Work Group about land valuation and assessing, including Proposal A, which has benefited farmers and has helped preserve farms in Kent County, and that information is included in the Report. Farmland preservation programs in Kent County were also discussed – their history, impact, and challenges.

Water – runoff regulation, impact, and wastewater systems were mentioned by several presenters, with emphasis on the importance of how those systems are planned and located to best benefit producers and processors.

Transportation – nearly every presenter discussed the issue of transportation; to develop recommendations for the Report, the historical development of transportation systems in Kent County was looked at, as well as ongoing transportation planning.

Talent, Labor, and Workforce Development piece was also emphasized by many speakers as being a key component in the success of agribusiness. Finding the needed workforce is a challenge and is an area of opportunity for development through immigration practices and education. To develop the recommendations in the *Talent* section, pertinent agencies such as ACSET, and County involvement in those agencies, were reviewed. There was additional emphasis on education within high schools and community colleges.

Common Themes and Findings – a review of Work Group meeting minutes resulted in five common themes, including: developing new products and markets; transportation and logistics; land/water; labor, talent and work force development; and processing and technology. These provided the basis for the development of the Recommendations in the Report.

Chair Saalfeld thanked staff for the report and opened up discussion to the Work Group.

Mr. Robinette stated that he thinks staff did a fantastic job pulling everything together.

Mr. Pothumus mentioned that he felt there was not as much emphasis on townships and the varying regulations between them, and need for common terminology for townships, cities, and villages.

Chair Saalfeld responded by highlighting the pertinent section in the Recommendations that addresses that issue, stating GVMC has recently created a proposal that will address the need for standardization, and that recommendations include cooperation with this process. When Ms. Klohs spoke to the Work Group, she mentioned the need for commonality which would be helpful when she talks to potential new businesses, and that the same terminology would apply throughout the County. Ms. Birkholz shared her experience in Lansing where she participated with a group to work on coordinated planning; progress was being made but that stalled when the Great Recession hit. That work was expected to pick up again after the economy improved. Chair Saalfeld reiterated that the GVMC work does address the coordinated effort and does so at the local level.

Mr. Grimm stated that townships want to protect their own interests, but the Metro Council has a likelihood of success because the townships are involved with GVMC.

Ms. Birkholz stated that if several townships are successfully brought on board, others will be inclined to participate.

Mr. Grimm mentioned that there currently is a significant political divide on both ends of the spectrum that end up blocking progress, and thus could an obstacle to cooperative efforts; he wonders if this issue should be included in the Report.

Chair Saalfeld said that that was a good point, and for that reason the GVMC is a good entity to do this work as it should be able to get better buy-in. He also noted that there are two ways to address this, either through direct voter action, or bureaucracy.

Mr. Grimm stated that GVMC is a good vehicle to get collaborative cooperation because it is at the local level as opposed to directives out of Lansing.

Chair Saalfeld asked if there are other issues of concern with the Report.

Ms. Birkholz talked about the water issue, in particular over-tiling by farmers that results in contamination that travels downstream and pollutes lakes along the way. Many millions of dollars are being spent to address the issue of the resulting water quality issues, in particular in Lake Macatawa where there are a number of high-end homes.

Chair Saalfeld directed attention to page 20 which discusses water and runoff issues. Ms. Birkholz emphasized that it a great threat and would like to see more importance placed on it in the Findings and Recommendations.

Dr. Isely suggested that water be added into the Recommendations regarding sufficient land for production and processing, since inconsistent zoning and lack of common standards are also contributors to the water quality issue.

Mr. Grimm stated that in the past, Cannon Township passed an ordinance regarding phosphorus, and after much discussion, recently passed a moratorium on fracking.

Dr. Isely stated that several agencies are working on water quality, including LGROW, although that work also impacts areas outside of Kent County.

Chair Saalfeld asked that this information regarding water be expanded and incorporated into the report; a recommendation could be to encourage another organization(s) to pursue the issue.

Ms. Jones then mentioned the Rails-to-Trails program and the loss of the rail once it is converted; Chair Saalfeld stated that the Transportation section on page 21 does incorporate an emphasis on rail transportation. Mr. Chapla shared that MDOT has virtually stopped rail abandonment without considering how a rail system could co-exist with a trail system. Right Place Inc. has gone on record objecting to CSXs petition to de-signal a track connecting with Detroit; de-signaling cheapens the value of the rail and discourages use; that petition was dropped as a result of feedback that was received by CSX. Mr. Chapla also touched on shipping containers and the work being done with the Port of Muskegon, which was identified by research as a number one project; the feasibility of that project is impacted by rail. The integration of water, road/trucking, and rail is critical. An intermodal hub does not exist is West Michigan. The Work Group reiterated that transportation is a factor in enhancing and promoting agribusiness in Kent County. Emphasis in the Report will be added regarding the retention of rail capacity, and that rail capacity be developed in collaboration with the Port of Muskegon and water transportation.

Chair Saalfeld summarized the discussion and indicated that the suggestions made will be incorporated into the Report and will be shared electronically with the Work Group. Unless there is a significant issue with the final Report, it may not be necessary for the Group to meet again.

There was a discussion about increasing awareness of the impact of agribusiness in Kent County, whether through marketing materials, website links, or other avenues. Ms. Jones suggested that the section under Building Awareness be expanded to include more specific action steps in this area.

Mr. Grimm questioned what the purpose of the Recommendation; Chair Saalfeld suggested that it will educate and encourage better cooperation and understanding of efforts being made on the local level

to collaborate, and to promote understanding of the breadth of the impact agribusiness has throughout the region.

IV. <u>Public Comment</u>

Russ Slater, Kent County Agricultural Preservation Board, suggested the emphasis is really three areas: water, land resources, and agriculture, and that the need is for food availability and the ability to feed the population. Mr. Slater shared a number organizations with which he is involved, and encouraged collaboration with the various organizations that are already doing work on topics similar to those addressed by this Work Group and Report.

Gerald Miller, Kent Conservation District Board, stated he is pleased with the concern about the lack of visibility about soil and water; he would like to see the incorporation of a way to encourage voluntary compliance with regulations or recommendations. He would like readers to be aware of the resources available at the Kent Conservation District in Kent County.

Ramiro Galvan, Michigan League of Conservation Voters, appreciates the time and effort put into the Report.

V. <u>Adjournment</u>. Chair Saalfeld summarized the next steps and adjourned the meeting at 6:04 p.m.

Next Meeting Date: TBD